

## **TRANSPARENCY IN SUPPLY CHAINS ACT DISCLOSURE**

In 2012, California adopted the Transparency in Supply Chains Act requiring businesses to disclose their efforts to combat slavery and human trafficking. McWane, Inc. has long been aware that there are businesses throughout the world that engage in slavery and human trafficking as a means of competing with those who operate in a humane manner and within the law. McWane has been and continues to be committed to taking steps to ensure that it does not do business with suppliers involved in such illegal and immoral activities.

McWane utilizes the services of eCustoms through its Visual Compliance program to screen potential suppliers to confirm they are not on government denied party or restricted party lists. The screening includes identification of those known to be engaging in human trafficking. This program regularly and automatically re-screens those suppliers with whom the company is currently doing business to ensure that these suppliers continue to operate lawfully and ethically. In addition, the standard terms and conditions in a McWane purchase order issued to a supplier include a requirement that McWane's suppliers as well as their material or component suppliers comply with applicable laws concerning human trafficking and slavery. Each supplier is required to acknowledge acceptance of the terms and conditions as a prerequisite to issuance of a purchase order by McWane.

McWane does not currently conduct regular on-site audits of its suppliers to confirm that they are not in violation of laws regarding slavery or human trafficking. McWane has made those in each of its subsidiaries and divisions who are responsible for dealing with suppliers aware of the need to ensure that the company does not engage in business with those who violate these laws or are involved in other unethical business practices. While McWane has no specific internal standards or procedures for dealing with its employees or contractors who fail to perform properly with respect to issues relating to slavery and human trafficking, the company will investigate any reported incidents of non-compliance and deal appropriately and decisively in the event non-compliance is verified.